



October 6, 2005

TO: CRWCD BOARD OF DIRECTORS

FROM: CHRIS TREESE

RE: 2006 Colorado General Assembly
4th Quarter 2005

I am not requesting any Board action other than the RICD and oil & gas stormwater direction requested in the legal department's memo.

Although we're three months away for the opening day of the next session of the Colorado Legislature, several water bills and water-related legislative issues are already on the horizon. These include:

- ◆ **Recreational In-Channel Diversion.** The Interim Water Committee is presently considering amendments to the RICD statute. A copy of the preliminary draft is attached.
- ◆ **Colorado Water & Power Development Authority.** The interim committee is also considering an amendment to the Authority's statute adding agricultural representation to the Board.
- ◆ **HB 05-1177 Charter.** The "Interbasin Compact Committee" has until July 2006 to submit a draft charter to the Legislature for required legislative approval. Russell George, the chairman of this 27-member committee and currently its only member, has indicated his desire to submit the draft charter for legislative consideration by March 1, 2006. The charter is intended to "govern and guide all negotiations between basin roundtables."
- ◆ **Fallowing.** We have been working with Representative Hodge (D-Aurora) on draft

legislation allowing agricultural fallowing and companion leasing of the associated foregone consumptive water use. This legislation would clarify existing statutes to ensure and encourage fallowing and related leasing similar to that occurring in the Imperial Irrigation District, CA.

◆ **Water Quality.**

- ▶ Fee increases. For the first time in three years the Water Quality Control Division will receive some General Funds in FY '06. However, fee levels last year reverted to 2001 levels without any inflationary adjustment. Irrespective of the results of the November election concerning Referendum C, if Colorado wishes to maintain state primacy for water quality, fee increases are likely.
- ▶ Stormwater Runoff - Oil & Gas. The legal department's memo addresses this issue of state regulation of stormwater discharges from land disturbed for oil and gas development. The Commissioner's decision to regulate is anticipated in January. Legislation may follow to reverse the Commission's decision irrespective of which side prevails at the Commission.
- ▶ **Oil & Gas Depletions.** Senator Isgar continues to consider the need for and advisability of legislation regarding tributary groundwater depletions resulting from oil & gas production. Additionally, some communities in Las Animas and Huerfeno Counties are interested in legislation defining the conditions under which water produced during oil and gas production can be directly placed to beneficial consumptive use.
- ▶ **Right-to-Float.** Senate President Fitz-Gerald had stated her intent to sponsor Legislation to clarify the right to float over private property. She has since indicated she is reconsidering. Others may assure sponsorship if the President demurs.
- ▶ **Eminent Domain.** In the wake of the U. S. Supreme Court's decision in *Kelo v. City of New London*, numerous legislators are considering bills limiting public entities' use of condemnation authorities. These are not likely to adversely affect water districts, but we will monitor closely what will likely be a myriad of proposals for unintended consequences.
- ▶ **South Metro Water District.** Finally, our partners in the South Denver metro area have pledged they will not seek legislation to help them organize in 2006 or likely thereafter.